

## Vishal Fabrics' Reported Robust Growth In FY20 With Revenue and PAT at Rs 1,297 crore and Rs 30 crore, up by 30% and 69%

**Ahmedabad, July 10, 2020:** Vishal Fabrics Limited, one of the leading manufacturers of denim fabric reported its results for the quarter and full year end on 31<sup>st</sup> March 2020

### Financial Highlights FY20:

- Revenue increased by 30% YoY to Rs 1,296.84 Cr
- EBITDA increased by 38% YoY to Rs 103.42 Cr ; EBITDA margins also improved from 7.49% to 7.97% YoY
- PAT stood at Rs 30.10 Cr up 69% YoY; similarly PAT margins also witnessed upswing from 1.79% to 2.32% YoY

### Summary of Results

Particulars	(Rs in Cr)			
	Q4FY20	FY20	FY19	YoY (%)
Revenue	3,43.74	1,296.84	998.49	30%
EBITDA	29.85	103.42	74.70	38%
PAT	5.12	30.10	17.80	69%

### Performance Highlights.

- The company has reported a PAT growth on the back of better utilisation levels and it has led to improvement in operating efficiencies.
- Exports have increased in the existing markets such as Srilanka & Bangladesh. Company has also expanded its footprint in the newer geography like Egypt.
- During the year, Capacity utilisation of Denim Manufacturing improved from 55% to 75%
- The company reappointed Haribhakti & Co. as its internal auditors for FY2021, reinstating its practice of efficient corporate governance.

There is no significant impact of COVID-19 on the company's performance in the Q4FY20 however, below mentioned update is in the context of COVID-19.

### Business Operations:

- As per government directives, the Company's manufacturing facility at Dholi, Ahmedabad had resumed its operations from April 11, 2020. Similarly, Narol plant was operational from June 1, 2020. Both the facilities are currently running on 55% capacity utilisation.
- Company is monitoring potential knock-on effects on production and deliveries and will try to mitigate the same.

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- Our sales and marketing team has been in constant touch with our customers across the country and well-positioned to tap the opportunities that may come across post the lockdown.
- Company possess a strong export order book and is well equipped to fulfil all the export commitments.
- We have a sufficient liquidity and bank limits in order to protect ourselves from any potential delay in the working capital cycle.

**Employees:**

- All permanent employees have been asked to work from home on an alternate day basis.
- Our HR department is playing very proactive role by constantly communicating with all our permanent and on-contract employees and monitoring their health.

**Working Capital Update:**

- Trade receivables may be delayed; however, company is in a comfortable scenario to withstand the impact of the same.
- Company has availed moratorium facility because of cash flow mismatch
- We have a strong orderbook and will continue to serve our customers diligently

Commenting on the performance, Mr Brijmohan Chiripal, Managing Director, Vishal Fabrics Limited, stated that "we have witnessed improvement in capacity utilisation which has led to better efficiency and higher profit margins. We are delighted to share our business expansion in newer geographies covering South Asian countries, MENA region coupled with strengthening our existing markets of Srilanka and Bangladesh. The COVID-19 a global pandemic has led to significant distress in the business operations across the globe. During such challenging times, we are committed in ensuring business continuity, employee safety and liquidity management. We believe in social cause and hence, Chiripal Group contributed Rs. 1 crore to Gujarat CM Relief Fund along with various other measures to fight Covid-19 pandemic.

**About Vishal Fabrics Limited (BSE Code – 538598)**

Established in 1985, Vishal Fabrics Limited (VFL), is one of India's leading manufacturers of denim fabric is a part of the leading conglomerate Chiripal Group. The company has state of the art manufacturing facility near Ahmedabad, Gujarat with an installed capacity of 80 MMPA and a processing unit of 105 MMPA. VFL is a premier supplier of top-quality stretch denim fabric which is very popular among people of all ages. VFL supplies denim fabrics to large garment makers in the domestic market and also to leading global brands like H&M, Emporia Armani, ZARA, Killer and many others.

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Further, Company through its public trusts is indulge in promoting the Robotex in india which is covered under CSR activity for the company. Various workshops had been conducted in last 2 years to develop the same and Robotex India has represented our country in Robotex Aisa event in August 2019, and secured second position among all Asian countries.

#### Disclaimer

This press release and the following discussion may contain "forward looking statements" by Vishal Fabrics Limited that are not historical in nature. These

forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Vishal Fabrics about the business, industry and markets in which Vishal Fabrics operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Vishal Fabrics's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Vishal Fabrics. In particular, such statements should not be regarded as a projection of future performance of Vishal Fabrics. It should be noted that the actual performance or achievements of Vishal Fabrics may vary significantly from such statements

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